


# STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: County Assessors and Auditors

FROM: Cheryl A. W. Musgrave, Commissioner 

DATE: Tuesday, September 16, 2008

RE: Sales Disclosure Filings for Easements and Right-of-Way Grants

1. In response to numerous questions the Department of Local Government Finance ("Department") has received about how to handle sales disclosures for easements and right-of-way grants, the Department presents the following guidance:

2. According to IC 6-1.1-5.5, a "conveyance document" is defined as the following:

a. Any of the following that purports to transfer a real property interest for valuable consideration:

- (1) A document.
- (2) A deed.
- (3) A contract of sale.
- (4) An agreement
- (5) A judgment.
- (6) A lease that includes fee simple estate and is for period in excess of ninety (90) years.
- (7) A quitclaim deed serving as a source of title.
- (8) Another document presented for recording.

b. Documents for compulsory transactions as a result of foreclosure or express threat of foreclosure, divorce, court order, condemnation, or probate.

c. Documents involving the partition of land between tenants in common, joint tenants, or tenants by the entirety.

3. An easement or right-of-way would fall under the aforementioned definition in paragraph 2a.(8) of "another document presented for recording." With this in mind, **any easement or right-of-way grant that is presented for recording for valuable consideration requires a sales disclosure form be submitted and the fee be charged.**

**HOW TO FILL OUT A SALES DISCLOSURE FORM FOR  
VALUABLE CONSIDERATION EASEMENT OR RIGHT-OF-WAY GRANT**

4. For a valuable consideration easement or right-of-way grant, under part B the buyer should check #1 as "Yes"-- a transfer of real property interest for valuable consideration. The buyer should check #15 "No" to avoid confusion about whether a fee is necessary. A special note should then be made under section C-3 stating that this transfer is an easement or right-of-way grant for valuable consideration.

**EASEMENTS AND RIGHT-OF-WAY GRANTS WHERE NO  
SALES DISCLOSURE FORM IS REQUIRED**

5. No Sales Disclosure Form is required in the following instances:

- a. Non-permanent easements; and
- b. Easements for no valuable consideration

Please direct any questions about this memorandum to Tim Jorczak, Assistant Director of Operations, at [tjorczak@dlgf.in.gov](mailto:tjorczak@dlgf.in.gov).